SNS REAAL N.V.
Insurance Activities
Full Rating Report

Key Rating Drivers

Uncertain Future Ownership: REAAL N.V. and its subsidiaries REAAL Schadeverzekeringen N.V. and SRLEV N.V. (together REAAL Insurance) are subsidiaries of SNS REAAL N.V., which was nationalised in February 2013. In its restructuring plan, the Dutch state committed to, among other measures, the sale of the group’s insurance operations. The decision leaves the future of REAAL N.V. uncertain.

Weak Profitability, Interest Coverage: Fitch Ratings views REAAL Insurance’s profitability and the related interest coverage as weak. REAAL Insurance posted a EUR625m loss in 2013. Fitch believes that underlying profitability is likely to remain under pressure in the coming years, due to low interest rates and the difficult economic conditions and fierce competition in the Dutch insurance market.

Good Capital Adequacy: REAAL Insurance’s capital position is good, in Fitch’s opinion. At end-December 2013, REAAL Insurance’s regulatory solvency was 172% (2012: 176%). As long as the insurance business remains within the state-owned group, the recent nationalisation should not affect the solvency of the insurance companies.

High Financial Leverage: REAAL Insurance’s financial leverage was 42% at end-2013 (2012: 48%). Fitch views this as manageable, as the group is still restructuring. However, this level is high for the rating level and compared with peers.

Limited Financial Flexibility: The European Commission decided in 2013 to disallow SRLEV N.V. from paying the coupons of its existing subordinated bonds, which Fitch considers as negative for REAAL Insurance’s financial flexibility. However, the Dutch state has demonstrated its support for several financial institutions, including SNS REAAL, in recent years.

Group Complexity Reduces: The intragroup positions between SNS Bank N.V. and REAAL Insurance have been reduced, cutting group complexity and making the bank and the insurers more independent from a capital and liquidity perspective. The disentanglement of the intragroup positions is positive for REAAL Insurance’s ratings.

Strong Dutch Business Position: Acquisitions in 2007 helped REAAL Insurance to build up a strong presence in the Dutch insurance market, notably in life and pensions. SRLEV N.V. now ranks third among Dutch life insurers, with a market share of around 16%. REAAL Schadeverzekeringen is a significant non-life company, with 6% market share.

Rating Sensitivities

Deterioration in Financial Fundamentals: A downgrade could result if the insurance group makes a further material loss in 2014, the regulatory solvency ratio declines to below 125% or financial leverage remains above 40%.

Consequences of Restructuring Plan: The ratings may be influenced by developments over the next few months on the future ownership structure and restructuring plans.

Improved Profitability: An upgrade could result if the company returns to profitability, in line with the ‘A’ rating category (for example, if reported net income rises to EUR200m and is expected to remain at that level), financial leverage falls to 35% or below, and the company resumes payments on subordinated bonds.
Market Position and Size/Scale

**Strong Presence in Dutch Insurance Market**
- Third largest life insurance group in Dutch market
- Diversified insurance portfolio

**Third Largest Life Insurance Group in Dutch Market**
REAAL Insurance is significant in the Dutch insurance market, notably in life and pensions where it ranks third with 16% total market share in 2013. It also has market share of 19% in new term life and 8% in single premium life business. In non-life insurance, the group ranks fifth with 6% market share.

The Zwitserleven (group pension) business acquired by the REAAL Insurance is the leader in the defined contribution market and benefits from strong brand recognition. At end-2013, it had a new pension production market share of 11%, but this was down sharply from 23% in 2012, largely due the uncertainty about the SNS REAAL group reorganisation.

**Diversified Insurance Portfolio**
REAAL Insurance underwrites business in life insurance, pensions insurance and non-life insurance. Since 2008, the mix of the insurance portfolio has changed significantly with an increased share of non-life and pension products and a declining proportion of life products (see Appendix A). This trend is in line with the demand of the market for non-life products and the difficulties faced in the life insurance market with low interest rates. The diversification of the portfolio is helpful for REAAL Insurance as it mitigates the difficulties facing certain business lines.

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**Figure 1**

<table>
<thead>
<tr>
<th>Ratings Range Based on Market Position and Size/Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>IFS Debt</strong></td>
</tr>
<tr>
<td>AAA</td>
</tr>
<tr>
<td>Large Market Position and Size/Scale</td>
</tr>
<tr>
<td>Medium Market Position and Size/Scale</td>
</tr>
<tr>
<td>Small Market Position and Size/Scale</td>
</tr>
</tbody>
</table>

Source: Fitch

Related Criteria
**Insurance Rating Methodology** (November 2013)
Ownership Is Neutral for Rating

SNS REAAL is a Dutch financial services group. Banking activities are carried out by SNS Bank and insurance activities are carried out by REAAL Insurance. Both are fully owned by the Dutch state after the nationalisation of SNS REAAL. This is a holding company with operating assets only in asset management (see Figure 2). Under Section 403 Book 2 of the Dutch Civil Code, SNS REAAL is solely liable for the obligations of SNS Bank. SNS Bank and REAAL Insurance do not hold stakes in each other.

As part of the nationalisation of SNS REAAL, the Dutch state provided substantial extraordinary support to the group, mainly through a EUR2.2bn capital injection of which EUR1.9bn has been down-streamed to the bank and a EUR1.1bn bridging loan to repay debt to external creditors and group companies. The state has required a EUR2bn additional provision to cover the property finance portfolio and plans to separate it from SNS Bank.

In December 2013, the European Commission announced its final decision on the restructuring plan of SNS REAAL after it was nationalised in February 2013. Being a 100% subsidiary of SNS REAAL, REAAL Insurance was also nationalised. In the restructuring plan, the Dutch state committed to, among other measures, the sale of the group's insurance operations. The decision leaves uncertainty over the future of REAAL Insurance.

The intragroup positions between SNS Bank and REAAL Insurance have been reduced. This reduces group complexity and makes the bank and the insurers more independent in capital and liquidity ahead of the sale of the insurance operations.

Figure 2
Structure Diagram

Source: SNS REAAL
Industry Profile and Operating Environment

Cost Management Critical in Saturated Market

With EUR78bn of written premiums, the Dutch insurance market is the fourth-largest in the European Union. The market is mature and has one of the highest insurance penetration rates in the world. In 2011, the Netherlands had the highest penetration level in Europe (excluding Liechtenstein) with a ratio of 13.1% of premiums to GDP, followed by the UK (11.8%). The market is concentrated with the six largest groups accounting for almost 70% of total market share and offers limited growth potential.

Given the limited growth opportunities, cost efficiency is a key driver for profitability. Dutch insurers have been successful in achieving their cost-cutting targets, and Fitch expects that further streamlining and optimisation of cost structures will be achieved in 2014.

Life Insurance: Shrinking and Barely Profitable Market

The life insurance market has declined sharply since 2007 as a consequence of tax changes allowing banks to compete on equal terms with insurers in the savings market. In addition, demand for unit-linked and single premium business dropped in the wake of the financial crisis. Premium income declined as the housing market stagnated and demand for mortgage-related term life insurance products declined. Although Fitch expects house prices to pick up from mid-2014, the market for term life products remains highly competitive.

The reputation of insurance companies was damaged by the mis-selling of unit-linked products. The poor reputation of insurance companies could have long-term negative implications for sales and further court judgments on mis-selling are still possible.

The fall in demand for life products has hurt profitability. Profit margins have been eroded through low interest rates and financial market turbulence. In particular, for the life savings business, insurers’ ability to earn a satisfactory return on investments is under growing pressure. Depressed profitability is exacerbated by the severe pricing pressure from the fierce competition among Dutch financial institutions.

Fitch believes profitability is likely to remain subdued in 2014 amid low, albeit rising, interest rates, stiff competition, and the weak Dutch economy.

Stable Operating Environment in Non-Life

The Dutch non-life market has been stable and profitable throughout the crisis, with profitable underwriting amid sluggish growth. This is likely to continue in 2014, in Fitch’s view, despite the increasing shift to price aggregators that could put further pressure on pricing.

The degree of stability and profitability of the Dutch non-life market is positive from a credit perspective.
Peer Analysis

Significant Operator in Domestic Market; Weaker Profitability

REAAL Insurance’s peers are most of the largest Dutch composite insurers. In the peer group, NN Group and Aegon have substantial non-Dutch insurance operations, making them less comparable with REAAL Insurance, which operates only in the Netherlands.

Achmea has a larger balance sheet and a stronger and more diversified profile in the Dutch market than REAAL Insurance. It also has stronger capital and better profitability. NN Group is bigger than REAAL Insurance and has stronger capital. Aegon is also larger and more profitable, but REAAL Insurance has lower financial leverage.

ASR is similar in size to REAAL Insurance, but has better profitability, stronger capital and lower financial leverage. Friends Life operates predominantly in the UK and it is a larger company but the product mix is similar to REAAL Insurance.

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Figure 3
Peer Comparison Table

<table>
<thead>
<tr>
<th>(EURbn) End-2013</th>
<th>IFS Rating*</th>
<th>Total equity (EURm)</th>
<th>Assets (EURm)</th>
<th>Total premiums (EURm)</th>
<th>Net income (EURm)</th>
<th>Regulatory solvency ratio (%)</th>
<th>ROA (%)</th>
<th>ROE (%)</th>
<th>Combined ratio (%)</th>
<th>FLR (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achmea BV</td>
<td>NR</td>
<td>9.7</td>
<td>94.4</td>
<td>20.2</td>
<td>344</td>
<td>202</td>
<td>0.3</td>
<td>3.5</td>
<td>98.0</td>
<td>23</td>
</tr>
<tr>
<td>REAAL NV</td>
<td>BBB/Sta</td>
<td>2.6</td>
<td>54.1</td>
<td>3.2</td>
<td>-625</td>
<td>172</td>
<td>-1.4</td>
<td>-24.1</td>
<td>107.7</td>
<td>42</td>
</tr>
<tr>
<td>Aegon NV</td>
<td>AA-/Neg</td>
<td>25.0</td>
<td>353.6</td>
<td>19.9</td>
<td>849</td>
<td>212</td>
<td>0.3</td>
<td>3.4</td>
<td>-</td>
<td>31</td>
</tr>
<tr>
<td>NN Group</td>
<td>A-/Sta</td>
<td>14.3</td>
<td>145.8</td>
<td>9.5</td>
<td>18</td>
<td>257</td>
<td>0.0</td>
<td>0.1</td>
<td>n.a.</td>
<td>25</td>
</tr>
<tr>
<td>ASR</td>
<td>NR</td>
<td>3.0</td>
<td>42.4</td>
<td>3.9</td>
<td>276</td>
<td>268</td>
<td>0.9</td>
<td>9.2</td>
<td>104.6</td>
<td>15</td>
</tr>
<tr>
<td>Friends Life</td>
<td>A+/Sta</td>
<td>6.4</td>
<td>155.4</td>
<td>2.4</td>
<td>306</td>
<td>238h</td>
<td>0.3</td>
<td>4.8</td>
<td>-</td>
<td>18</td>
</tr>
</tbody>
</table>

Note: NR: Not rated; ROA: Return on Assets; ROE: Return on Equity; FLR: Financial Leverage Ratio. All numbers except FLR are reported figures

* IFS ratings of main operating companies of each group (consolidated accounts); NN Group: LT IDR
h For ultimate parent, Resolution Limited
Exchange rate used: GBP1 = EUR1.196
Source: Companies’ accounts, Fitch
Good Capital Adequacy, High Leverage
- Stable solvency but supported by capital injection
- High financial leverage

Stable Solvency but Supported by Capital Injection

Despite an unfavourable environment, REAAL Insurance has maintained a good level of solvency. The regulatory solvency ratio was 172% at end-2013 (2012: 176%) which is commensurate with the ‘AA’ rating category.

High Financial Leverage

REAAL Insurance’s financial leverage was 42% at end-2013 (2012: 48%). The marginal decrease is explained by the reduction of subordinated debt (in 2013, EUR150m of the subordinated debt issued to SNS REAAL was converted into share premium) and the repayment of credit facilities. This was partly offset by the EUR250m loan underwritten by SNS Bank as part of the adjustment of intragroup positions. Under Fitch’s rating methodology, subordinated debt of EUR859m is not given any equity credit and is accounted for entirely as debt in the financial leverage calculation.

Fitch views the level of financial leverage as manageable, as the group is still restructuring. However, this level is high for the rating level and compared with peers.
Weak Coverage and Financial Flexibility

- Low and volatile coverage ratio
- Limited financial flexibility

Low and Volatile Coverage Ratio

REAAL Insurance’s fixed-charge coverage declined sharply in 2013 as net and underlying profits fell. Since 2011, there have been significant one-off items affecting net profitability. When one-off items are excluded, REAAL Insurance’s coverage was positive in 2013 although still well below 2012 levels. Coverage can be volatile, depending on the amount of realised and unrealised gains accrued each year. However, Fitch places primary emphasis on the ratio without realised and unrealised gains.

On that basis, profits covered interest expenses by only 1.4x when one-off items are excluded (negative 5.6x including one-offs) in 2013 (2012: 6.5x and 1.6x respectively).

Fitch assesses REAAL Insurance’s coverage ratio in 2013 as low for its current rating level.

REAAL is not paying coupons on its subordinated bonds at present (see section below).

Limited Financial Flexibility

The EC decided in 2013 to disallow SRLEV from paying the coupons of its existing subordinated bonds, which Fitch considers is negative for REAAL Insurance’s financial flexibility.

In April 2013, the group holding company, SNS REAAL, announced that the EC had decided not to allow SRLEV to pay the next coupon due on its EUR400m and CHF105m subordinated bonds. SRLEV was required to exercise its optional deferral right on the interest payment dates, 15 April 2013 and 15 December 2013.

However, the Dutch state has demonstrated its support for several financial institutions, including SNS REAAL in recent years.
Weak Operating Performance

- One-offs hurt profits
- Underlying profitability under pressure
- Cost savings main driver of profitability

One-Offs Hurt Profits

As in 2012, REAAL Insurance’s 2013 net results suffered from impairments and one-off charges.

REAAL Life impaired its goodwill by EUR150m (2012: EUR141m) following lower-than-expected returns and a higher cost base. REAAL Life and Zwitserleven also posted impairments of the value of business acquired (VOBA) for EUR439m (EUR0m), as unrealised gains were insufficient to cover the shortfall of the insurance technical provisions calculated under the Liability Adequacy Test (LAT).

The remaining shortfall was charged to the income statement as a VOBA impairment; and as VOBA itself was not sufficient to cover the LAT shortfall, an additional provision of EUR110m was booked.

Underlying Profitability Under Pressure

Fitch believes that REAAL Insurance’s underlying profitability in its life and pensions business is likely to remain under pressure in 2014, due to low interest rates, the difficult economic conditions and the fierce competition in the Dutch insurance market.

REAAL Non-life’s net profit declined in 2013 as more holding company costs were structurally allocated to the non-life business. The adverse claims experience also led to a sharp deterioration in the loss ratio (around 10bp according to Fitch’s calculations). The resulting non-life combined ratio level is high for the rating level.
Fitch expects non-life profitability to remain under pressure due to stiff competition in the Dutch insurance market.

Excluding all one-off adjustments, REAAL Insurance’s net result was a low EUR124m in 2013, below expectations for a company rated in the ‘BBB’ category.

**Cost Savings Main Driver of Profitability**

In the saturated Dutch market, cost savings are critical to maintain profitability. REAAL Insurance’s operating costs were 5.5% higher in 2013 than in 2012, largely as a result of additional costs allocated from SNS REAAL to the insurance business.
Prudent Investment Management

- Conservative fixed-income portfolio
- Manageable level of mortgages

Conservative Fixed-Income Portfolio

REAAL Insurance’s investment portfolio is conservative, which Fitch views positively. The vast majority of its own assets is invested in good quality fixed-income instruments and mortgages.

The credit quality of the fixed income portfolio is strong, with 60% invested in ‘AAA’ bonds and 76% rated ‘A’ or above. Exposure to peripheral eurozone countries represented only 2% of the fixed-income portfolio.

19% of the fixed-income portfolio is not rated, but it consists mainly of investments related to savings mortgages.

Manageable Level of Mortgages

By European standards, the share of mortgages in REAAL Insurance’s portfolio looks high, reflecting a unique Dutch market practice in which life insurance policies and residential property mortgage loans are sold to individual customers as packaged financial products. This portfolio (EUR2.9bn at end-2013) relates only to residential property in the Netherlands.

Around 40% of this pure mortgage portfolio has a national mortgage guarantee and 20% has a loan-to-foreclosure value lower than 75%. However, around 20% has a loan-to-foreclosure value higher than 75%. Fitch believes that, given the size of REAAL Insurance’s total equity (EUR2.6bn at end-2013), there is a sufficient cushion to absorb potential losses on the more risky mortgages.

Fitch understands that a large part of the mortgage portfolio was originated between 2000 and 2005, when house prices increased in the Netherlands, but this was followed by a 20% fall from the peak in 2008. This sharp adjustment left around 25% of mortgages in negative equity. Fitch’s baseline assumption is that the correction in the housing market will bottom out in mid-2014. The pace of decline slowed in 3Q13, accompanied by a pick-up in transactions. The negative wealth effect from the housing market should therefore ease in 2014.

Excluding mortgage-related assets, the credit quality of the bond portfolio is good, with only 4% of bonds rated ‘BBB’ or below.
Adequate Liquidity Management

- Low liquidity risk
- Managing duration mismatch
- High guaranteed return carried by some policies

Low Liquidity Risk

Due to its cash flow structure, REAAL Insurance is not significantly exposed to liquidity risk (see Figure 11). However, its insurance operations maintain substantial liquidity (accounting for 6% of total non-linked investments at end-2013) to cover any unexpected developments. Overall, Fitch considers REAAL Insurance’s investment strategy appropriate given the profile of policyholder liabilities.

Managing Duration Mismatch

There is significant duration mismatch between assets and liabilities, and REAAL Insurance is exposed to interest-rate risk and its life products feature profit-sharing and carry guaranteed returns.

To address duration mismatches between its fixed-income assets and life insurance liabilities, REAAL Insurance uses hedging instruments such as swaps. Since 2006, REAAL Insurance has used a value-at-risk (VaR) approach to manage the duration mismatch, although in 2013 the focus shifted to a solvency-at-risk (Solar) approach as there was the need to protect solvency.

Following modelling and methodology changes, the sensitivity of liabilities to interest-rate movements (recognised in the solvency calculation) dropped and asset duration was shortened further. The IFRS results remain more sensitive to changes in interest rates than the solvency calculation.
High Guaranteed Return Carried by Some Policies

Fitch estimates that around 75% of life non-linked insurance policies carry guaranteed returns (3% to 5%), which is difficult to achieve under current financial market conditions, and this affects the expected profit margin. Like all life insurers writing long-tail business (typically pension products), REAAL Insurance is exposed to the persistence of low interest rates for new money investments and reinvestments, although this is partly offset by the significance of its mortgage loans portfolio, which is typically longer term than its fixed-income investments.
Reserve Adequacy

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>Fitch’s expectation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserve development to equity (%)</td>
<td>2.2</td>
<td>1.4</td>
<td>1.0</td>
<td>1.8</td>
<td>0.3</td>
<td>Fitch considers reserving to be adequate. No major future releases or increases are expected.</td>
</tr>
<tr>
<td>Net technical reserves / net earned premium (%)</td>
<td>n.a.</td>
<td>157.5</td>
<td>142.9</td>
<td>145</td>
<td>149.9</td>
<td></td>
</tr>
</tbody>
</table>

Source: Fitch

Adequate Reserving Practices
- Adequate approach to reserving in non-life
- Reserve releases reducing
- Adverse experience in life
- Exposure to longevity risk

Adequate Approach to Reserving in Non-Life
Fitch considers that REAAL Insurance follows an adequate approach to reserving. The group uses generally accepted actuarial methods for projecting ultimate losses and calculating reserves for claims incurred but not yet reported. Given the relatively short-tail nature of REAAL Insurance’s portfolio, material reserve deficiencies are unlikely. Neither reserve strengthening nor unfavourable claims development has been reported in the recent past. REAAL Insurance occasionally requests that external actuaries perform a review of its non-life reserves.

Reserve Releases Reducing
Claims reserves show positive development in aggregate, but the positive run-off decreased to 0.7% of total reserves at the beginning of 2013 (2012: 5.2%; 2011: 4.4%). Significant reserve strengthening was needed for the 2007 and 2011 underwriting years, after similar action in 2012 on the 2006 underwriting year. This also caused a significant deterioration of the combined ratio in 2013.

Fitch believes that reserve releases will be contained in 2014 and despite the adverse developments in 2013 considers REAAL Insurance’s reserving policies as adequate for the rating level.

Adverse Experience in Life
REAAL Insurance impaired VOBAs in 2013 as part of the LAT for life reserves. For details see Financial Performance and Earnings. Fitch believes that further reserve strengthening is possible given the high guarantees and asset-liability mismatch in REAAL Insurance’s in-force business.

Exposure to Longevity Risk
Like many Dutch insurers, REAAL Insurance is exposed to longevity risk, particularly in its pension portfolio. A 20% increase in longevity risk (stress test) would result in 39% deterioration in the solvency ratio at end-2013. Under that scenario, capital would nonetheless remain sufficient for a rating in the ‘BBB’ category.
Reinsurance, Risk Management and Catastrophe Risk

Limited Use of Reinsurance
- Moderate use of reinsurance
- Low catastrophe exposure

Moderate Use of Reinsurance
REAAAL Insurance is a modest buyer of reinsurance protection, with a retention ratio of 88% in the life business and 92% in the non-life business.

Low Catastrophe Exposure
Catastrophe treaties leave REAAAL Insurance with EUR35m retention in non-life insurance and EUR15m retention in life insurance. The catastrophe programme capacity was established to protect the group against any event with an expected recurring period of 150 to 250 years. Retentions for other life and non-life risks are small.

The reinsurance policy is established centrally. Ceded reinsurance is placed with a diversified number of well-rated (at least ‘A−’) reinsurance companies, of which Swiss Re (IFS ‘A+/Stable) and Munich Re (IFS ‘AA−/Stable) have the largest shares, although neither exceeds 25%. 
Appendix A: Additional Financial Exhibits

Figure 13
REAAL NV Insurance Premiums Breakdown (2013)

- REAAL Life: 42%
- REAAL Non-life: 24%
- Zwitserleven: 34%

Source: REAAL NV

Figure 14
REAAL NV Insurance Premiums Breakdown (2008)

- REAAL Life: 59%
- REAAL Non-life: 16%
- Zwitserleven: 25%

Source: REAAL NV
Appendix B: Other Ratings Considerations

Below is a summary of additional ratings considerations of a technical nature, which are also part of Fitch’s ratings criteria.

**Group IFS Rating Approach**

Both of the rated insurance entities are viewed as Core subsidiaries of the insurance operations. Therefore, Fitch applies a group rating methodology, rating each entity based on a combined REAAL Insurance group assessment.

**Notching**

The key operating environment for REAAL Insurance is the Netherlands, which Fitch regards as a Strong regulatory environment, due to the priority of policyholder claims and a strong capital regime.

**Notching Summary**

**Holding Company**
Not applicable.

**IFS Ratings**
A Good baseline recovery assumption was applied to the IFS Ratings and standard notching was used based on the existence of policyholder priority. The IFS Ratings are therefore one notch higher than the implied IDR.

**Debt**
Not applicable (no rated issues).

**Hybrids**
Not applicable (no rated issues).

**Short-Term Ratings**
Not applicable (no rated issues).

**Hybrids – Equity/Debt Treatment**

<table>
<thead>
<tr>
<th>Hybrid</th>
<th>Amount (EURm)</th>
<th>CAR Fitch (%)</th>
<th>CAR reg. override (%)</th>
<th>FLR debt (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subordinated debt</td>
<td>859</td>
<td>0</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

CAR = Capitalisation ratio; FLR = Financial leverage ratio
For CAR % represents portion of hybrid value included as Available Capital, both before (Fitch %) and the Regulatory Override
For FLR % represents portion of hybrid value included as debt in numerator of leverage ratio

*a* Total amount of subordinated debt as of end-2013. The EC decided not to allow SRLEV N.V. to pay the coupons on EUR400m and CHF150m subordinated bonds on the interest payment dates (15 April 2013 and 19 December 2013)

*b* EUR734m is eligible as regulatory available capital

Source: Fitch

**Exceptions to Criteria/Ratings Limitations**

None.
The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.

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